ABSTRACT OF THE DISCLOSURE

[0052] A method and apparatus for processing a bitstream in a digital video transcoder is described. In one example, an adjustment factor is determined that relates a number of bits representing a selected frame defined by the bitstream to a target number of bits for the selected frame. An average spatial activity value among sets of video data is associated with the selected frame. A spatial activity value for a selected set of the sets of video data is determined. A normalized spatial activity value for the selected set of frequency video data is then computed in response to the average spatial activity value, the spatial activity value, and a function of the adjustment factor. Target bit reduction for each of the sets of video data may be computed using a function of the normalized spatial activity value and the adjustment factor.